2003 -0034 M7



CITY OF BEAVER DAM

309 WEST SECOND STREET

BEAVER DAM, KENTUCKY 42320



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Mary L. Pate
Mayor
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September 9, 2003

Public Service Commission 211 Sower Boulevard, P.O. Box 615 Frankfort, Kentucky 40602-0615

Dear Thomas Dorman:

This letter is on the behalf of the City of Beaver Dam and the residences of the City.

Each time the Ohio County Water District has requested a water rate increase, the proposed wholesale rate is unproportionate to their rate structure. Every price break increases 8% to 16%, until you get to the wholesale rate.

Ohio County Water District shows their average wholesale monthly usage being 3,453,584 gallons per month. That may be true but Beaver Dam's average monthly usage is 8,000,000 - 10,000,000 gallons per month. This would raise the city's bill \$8,000 - \$10,000 per month.

We understand the need for repairs and upgrading of the old water mains, meters, and etc. but the percent of increase should be fair to all customers. Why should Beaver Dam pay for bonds and installation of new pipes on the other side of the county.

The City of Beaver Dam is the largest water user of the Ohio County Water District. What is going to happen if the City purchases water from the City of Hartford or we have new wells drilled? Yes, drilling new wells would cost several thousand dollars but with a 66.6% increase it would not take long to cover the expense.

If Beaver Dam chooses to do this, will the County offset their prices to their consumer?

We want to thank you for hearing our concerns for the City of Beaver Dam and hope this comes to an amiable solution.

Beaver Dam City Commission

Sen Dard Lang W. Moyhen

City Commission

Ben Bard * Larry Morphew * Denice Nelson * Charles Patton